

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Goodwin Post Office
Goodwin, Arkansas

Docket No. A2011-28

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(September 15, 2011)

On July 22, 2011, the Postal Regulatory Commission (Commission) accepted an appeal from postal customer Randy Jones (Petitioner) objecting to the discontinuance of the Post Office at Goodwin, Arkansas. On July 26, 2011, the Commission issued Order No. 771, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). On June 9, 2011, Petitioner Randy Jones filed an initial brief in support of the petition. In accordance with Order No. 771, the administrative record was filed with the Commission on August 8, 2011.

The appeal accepted by the Commission on July 22, 2011, raises two main issues: (1) the Postal Service failed to adequately consider the economic savings resulting from the closure, and (2) that the Postal Service failed to consider whether or not it will continue to provide a maximum degree of effective and regular postal services to the community. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and Commission precedent,¹ the Postal Service gave consideration to a number of other issues, including the impact upon postal

¹ See 39 U.S.C. 404(d)(2)(A).

employees. Accordingly, the determination to discontinue the Goodwin Post Office should be affirmed.

Background

The Final Determination To Close the Goodwin, AR Post Office and Continue to Provide Service by Rural Route Service (FD), as well as the administrative record, indicate that the Goodwin Post Office provides EAS-53 level service to 58 Post Office Box customers, no general delivery customers, and retail customers 22.5 hours per week. FD, at 1; Item 15, Post Office Fact Sheet, at 1; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"), at 1.² The postmaster of the Goodwin Post Office was promoted on February 27, 2010. The noncareer postmaster relief (PMR) may be separated from the Postal Service, however attempts will be made to reassign the employee to a nearby facility. No other employees will be adversely affected.³ The average number of daily retail window transactions at the Goodwin Post Office is six. Revenue has generally been low: \$5,998.00 in FY 2008 (16 revenue units); \$5,480.00 in FY 2009 (14 revenue units); and \$3,991.00 in FY 2010 (10 revenue units).⁴ The Goodwin Post Office has no postage meter mailers or permit customers. FD at 2; Item No. 18, Fact Sheet, at 1; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

² In these comments, specific items in the administrative record are referred to as "Item No. ____."

³ FD, at 2, 6; Item No. 33, Proposal to Close the Goodwin, AR Post Office and Continue to Provide Rural Route Service ("Proposal"), at 2, 5; Item No. 41, Revised Proposal to Close the Goodwin, AR Post Office and Continue to Provide Rural Route Service ("Revised Proposal"), at 2, 5.

⁴ FD, at 2; Item No. 18, Fact Sheet, at 1; Item No. 33, Proposal, at 2; Item 41, Revised Proposal, at 2.

Upon implementation of the final determination, delivery and retail services will be provided by rural route delivery administered by the Wheatley Post Office, an EAS-13 level office located five miles away, which has 340 available Post Office Boxes. FD at 1, 6; Item No. 1, Request/Approval to study for discontinuance, at 1; Item No. 18, Fact Sheet, at 1; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2. This service will continue upon implementation of the Final Determination. FD at 2.

The Postal Service followed the proper procedures which led to the posting of the Final Determination. All issues raised by the customers of the Goodwin Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. Questionnaires were distributed to delivery customers of the Goodwin Post Office. Questionnaires were also available over the counter for retail customers at Goodwin. FD at 2; Item No. 20, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Goodwin Post Office, at 1; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2. A letter from the Manager of Post Office Operations, Little Rock, AR was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Goodwin Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Wheatley Post Office. The letter invited customers to complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change

involving rural route delivery. Item No. 21, Letter to Customer, at 1. The returned customer questionnaires and Postal Service response letters appear in the administrative record as Item No. 22, located towards the end of the record. In addition, representatives from the Postal Service were available at the Wheatley Civics Center, located at 211 8th St. in Wheatley, for a community meeting on March 01, 2011, to answer questions and provide information to customers. Customers received formal notice of the Proposal and Final Determination through postings at the Goodwin Post Office. The Proposal was posted with an invitation for public comment at the Goodwin Post Office from March 14, 2011 to May 15, 2011. FD, at 3; Item No. 33, Proposal, at 1; Item No. 41, Revised Proposal, at 2. The Final Determination was posted at the same Post Office starting on June 21, 2011, as confirmed by the round-dated Final Determination cover sheet that appears in the administrative record.

In light of the postmaster vacancy, a minimal workload, low office revenue,⁵ the variety of delivery and retail options (including the convenience of rural delivery and retail service),⁶ very little recent growth in the area,⁷ minimal impact upon the community, and the expected financial savings,⁸ the Postal Service issued the Final Determination.⁹ Regular and effective postal services will continue to be provided to the

⁵ See note 4 and accompanying text,

⁶ FD, at 2-3, 5, 6; Item No. 33, Proposal, at 2-5; Item No. 41, Revised Proposal, at 2-5.

⁷ Item No. 16, Community Fact Sheet, at 1.

⁸ FD, at 2-6; Item No. 17, Highway Contract Route Cost Analysis Form and Rural Route Cost Analysis Form, at 1-2; Item No. 29, Proposal Checklist, at 1, 2; Item No. 33, Proposal, at 2-6; Item No. 41, Revised Proposal, at 2-5. .

⁹ FD, at 1-6.

Goodwin community in a cost-effective manner upon implementation of the Final Determination. FD at 2.

Each of the issues raised by the Petitioner is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Goodwin Post Office on postal services provided to Goodwin customers. The closing is premised upon providing regular and effective postal services to Goodwin customers.

In his letter of appeal, the Petitioner raises the issue of the effect on postal services of the Goodwin Post Office's closing, noting the convenience of the Goodwin Post Office and requesting its retention. The Petitioner expresses particular concern about the need to travel to a neighboring office and the effect of the closing of the Goodwin Post Office. Each of these concerns was considered by the Postal Service.

The need to travel to a neighboring post office was extensively considered by the Postal Service. FD at 2-3, 6; Item No. 22, Returned customer questionnaires and USPS response letters; Item No. 23, Postal Service Customer Questionnaire Analysis, at 1; Item No. 25, Community Meeting Analysis, at 1; Item No. 33, Proposal, at 2-3; Item No. 41, Revised Proposal, at 2-3. Carrier service provides delivery and retail services to roadside mailboxes on the carrier's line of travel, so that customers do not have to make a special trip to the Post Office for service. FD at 2-3. Also, most

transactions do not require meeting the carrier at the mailbox. FD at 2-3. Some of the services available from the carrier include mailing certain packages, purchasing postal money orders, and special services. Id. Delivery and retail services will be available from the carrier, alleviating the need to travel to a Post Office for service; this is an especially beneficial service to many senior citizens and those who face special challenges because they do not have to travel to the Post Office for service. FD at 2-3, 6; Item No. 22, Returned customer questionnaires and USPS response letters; Item No. No. 23, Postal Service Customer Questionnaire Analysis, at 1; Item No. 25, Community Meeting Analysis, at 1; Item No. 33, Proposal, at 2-3; Item No. 41, Revised Proposal, at 2-3. In addition to rural delivery, which is the recommended alternate service, customers may also receive postal services at the Wheatley Post Office which is 5.0 miles away. Also, the Postal Service has developed several convenient offerings which can save customers a trip to the Post Office. Stamps can be purchased by phone via a toll-free number, or by mail. If internet access is available, customers can purchase stamps online through the Postal Service's website at www.USPS.com and can print shipping labels with postage for Express Mail and Priority Mail using the Postal Service's Click-N-Ship service available at www.USPS.com. In addition, customers can place their mail on hold, or file a change of address order, by calling a toll free number or visiting the Postal Service's website.

The effect of the closing of the Goodwin Post Office on the availability of postal services to Goodwin residents was considered extensively by the Postal Service. FD at 2; Item No. 33, Proposal, at 2-5; Item No. 41, Revised Proposal, at 2-5. Upon the

implementation of the Final Determination, services provided at the post office, such as the sale of stamps, envelopes, postal cards, and money orders, will also be available from the carrier to a roadside mailbox located close to customers' residences. FD at 2-3; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2. Various options exist for the shipping of packages, which are explained above and on www.USPS.com.

To be clear, the Postal Service determines postmaster level and Post Office service hours by analyzing the workload of a Post Office. Due to lack of mail volume, window transactions, and other factors, the Goodwin office qualifies for 22.5 hours of service weekly to 58 Post Office Box and no delivery customers. FD, at 2; Item No. 9, Worksheet for Calculating Workload Service Credit; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2. The Goodwin Post Office has an average of six daily retail window transactions. Item No. 10, Window Transaction Survey. Upon the implementation of the Final Determination, delivery and retail services will be provided by rural route delivery emanating from the Wheatley Post Office. The window service hours of the Wheatley Post Office are from 8 a.m. to 4:30 p.m., Monday through Friday and 8 a.m. to 10 a.m. on Saturday. FD, at 2. In addition, customers opting for carrier service will have 24-hour access to their mail. FD, at 3.

The Postal Service has considered the impact of closing the Goodwin Post Office upon the provision of postal services to Goodwin customers. Rural route delivery to roadside mailboxes provides similar access to retail service, alleviating the need to travel to the Post Office. FD at 3; Item No. 23, Postal Service Customer Questionnaire Analysis, at 1; Item No. 33, Proposal, at 2-4; Item No. 41, Revised Proposal, at 2-4.

Thus, the Postal Service has properly concluded that all Goodwin customers will continue to receive regular and effective service via rural route delivery.

Effect Upon the Goodwin Community

Though not raised by the petitioner, the Postal Service is obligated to consider the effect of its decision to close the Goodwin Post Office upon the Goodwin community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Goodwin is an incorporated community located in St Francis County. The St Francis County Sheriffs Office provides police protection. The community is administered politically by St Francis County, with fire protection provided by the Palestine & Wheatley Volunteer Fire Departments. The questionnaires completed by Goodwin customers indicate that, in general, the retirees, farmers/ranchers, commuters, and others who reside in Goodwin must travel elsewhere for other supplies and services. See generally FD at 5; Item No. 22, Returned customer questionnaires and Postal Service response letters; Item No. 33, Proposal, at 4; Item No. 41, Revised Proposal, at 4.

While the Petitioner's letter of appeal did not raise the issue of the effect of the closing of the Goodwin Post Office upon the Goodwin community, this issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 5; Item No. 33, Proposal, at 4; Item No. 41, Revised Proposal, at 4. The Postal

Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. FD, at 2; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2. Communities generally require regular and effective postal services and these will continue to be provided to the Goodwin community. The record makes clear that the Postal Service is addressing this concern through preservation of the community identity by continuing the use of the Goodwin name and ZIP Code in addresses. FD, at 2; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

In addition, the Postal Service has concluded that nonpostal services provided by the Goodwin Post Office can be provided by the Wheatley Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD, at 5; Item No. 33, Proposal, at 4; Item No. 41, Revised Proposal, at 4.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Goodwin Post Office on the community served by the Goodwin Post Office.

Economic Savings

Postal officials properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Goodwin Post Office and would still provide regular and effective service. Item No. 21, Letter to Customer, at 1. The estimated

annual savings associated with discontinuing the Goodwin Post Office are \$20,292.00.

FD at 6; Item No. 33, Proposal, at 6; Item No. 41, Revised Proposal, at 5.

The Petitioner's letter of appeal suggests that the Postal Service did not properly take into account the expenses that would be incurred by the agency if the Goodwin Post Office is closed. The Postal Service has broad experience with and has considered similar options; yet the Postal Service has determined that rural route service is the most cost-effective solution for providing regular and effective service to the Goodwin community. This concern was addressed in the record. Specifically, the financial analysis includes the cost of providing a rural carrier who would deliver mail to the town of Goodwin. Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated consistently with other discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 6; Item No. 33, Proposal, at 6; Item No. 41, Revised Proposal, at 5.

The administrative record does not support the claim that a different staffing decision would lead to additional revenue, which in turn would exceed cost increases attributed to maintaining the Goodwin Post Office. As stated earlier, the Goodwin Post Office, an EAS-53 level, provides 22.5 hours a week to 58 Post Office Box and no general delivery customers. Daily retail window transactions average six. There are no permit mailers or postage meter customers. FD, at 2. Furthermore, as documented in the administrative record, there is negative expected growth among households in Goodwin. Item No. 16, Community Fact Sheet, at 1.

The Petitioner in his initial brief filed on June 9 also asserts that if the Goodwin Post Office is closed, the property will have to be restored to its original condition. Specifically, Petitioner describes that this would include “moving the building, the concrete, water lines and sewage lines.” There is no evidence in the record that mentions that the Postal Service would be obligated to undertake the actions contemplated by the Petitioner, and thereby incur any such cost. Furthermore, any such expenses, even if borne by the Postal Service, would be one-time expenses and would not affect savings in future years. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

Though not mentioned in the Petitioner’s appeal or initial brief, as documented in the record, the impact on postal employees is minimal. The postmaster was promoted on February 27, 2010. Upon implementation of the final determination, the noncareer OIC/postmaster relief (PMR) may be separated from the Postal Service. The record shows that no career employees would be adversely affected, and no other employees would be affected by this closing. FD at 2, 5; Item No. 33, Proposal, at 2, 5; Item No. 41, Revised Proposal, at 2, 5. Therefore, the Postal Service considered the effect of the closing on the employees at the Goodwin Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Goodwin Post Office on the economic savings that would result from the proposed closing, and the effect on Postal Services, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Goodwin customers. FD, at 6. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Goodwin Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Goodwin Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

Anthony F. Alverno
Chief Counsel, Global Business

Sonia Jain
Attorney

Revised November 16, 2011

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1137
(202) 268-2990; Fax -5418
sonia.jain@usps.gov
September 15, 2011